

UNITED STATES DISTRICT COURT  
DISTRICT OF MINNESOTA

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Ceska zbrojovka Defence SE,

Case No. 22-cv-1256 (WMW/DLM)

Plaintiff,

v.

Vista Outdoor, Inc.,

Defendant.

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This matter is before the Court on the parties' Joint Notice of Position on the Stay.

In January 2023, this Court granted Defendant Vista Outdoor, Inc.'s ("Vista") Motion to Stay the matter pending the issuance of an opinion and mandate in the related case of *CZ USA LLC v. Vista Outdoor, Inc.*, No. 2:21-cv-2482 (D. Kan. 2022), *appeal docketed*, No. 22-3095 (10th Cir. May 20, 2022). (Dkt. 13.) The U.S. Court of Appeals for the Tenth Circuit affirmed the decision of the U.S. District Court for the District of Kansas dismissing the claims against Vista for lack of subject matter jurisdiction. *Id.* Plaintiff Ceska zbrojovka Defence SE ("CZ") filed a Petition for Rehearing of the Tenth Circuit's opinion seeking reconsideration of the Tenth Circuit opinion and reversal of the District Court opinion. (Dkt. 28.) The Tenth Circuit denied CZ's Petition for Panel Rehearing. (Dkt. 30.) That Tenth Circuit opinion is now final, and no further appellate review is anticipated.

Following the Tenth Circuit decision, this Court ordered the parties to file a notice of their position on the stay. (Dkt. 31.) CZ supports lifting the stay. (Dkt. 32 at 2.) Vista opposes lifting the stay. *Id.*

**ORDER LIFTING STAY**

CZ invokes this Court’s diversity jurisdiction to assert claims for breach of contract, unjust enrichment, and breach of the duty of good faith and fair dealing. (Dkt. 1). The lawsuit filed in the District of Kansas was nearly identical. *CZ USA LLC v. Vista Outdoor, Inc.*, No. 2:21-cv-2482 (D. Kan. 2022). A stay was ordered because of how closely related the lawsuits were and the potential preclusive effects that the Kansas Action posed. (Dkt. 23 at 10.)

Vista argues that the stay should remain until the resolution of Vista’s motion to dismiss because “the parties’ and the Court’s resources will be most efficiently used by consideration of the effect of the Tenth Circuit ruling and the renewed motion to dismiss before setting other deadlines in this litigation.” (Dkt. 32 at 2.) However, because the Tenth Circuit merely affirmed the District of Kansas’ decision dismissing the action for lack of subject matter jurisdiction, it is unclear how the Tenth Circuit decision would further affect this litigation. *Ceska zbrojovka Def. SE ("CZ") v. Vista Outdoor, Inc.*, No. 21-cv-2482-JAR-TJJ, 2022 WL 1211106, at \*2 (D. Kan. Apr. 25, 2022), *aff’d sub nom. Ceska Zbrojovka Defence SE v. Vista Outdoor, Inc.*, 79 F.4th 1255 (10th Cir. 2023). The Tenth Circuit held that it lacked subject matter jurisdiction because CZ was the proper plaintiff, not CZ USA, the named plaintiff, and therefore, CZ USA lacked standing at the time of the original Complaint. *Id.* Neither the Tenth Circuit nor the District of Kansas reached the merits of CZ’s claims now before this Court. *Id.* Additionally, it appears that CZ cured the defect present in the District of Kansas litigation by naming CZ as the plaintiff, not CZ USA. (Dkt. 1.) Because the defect in the District of Kansas litigation was cured, it is unclear how the Tenth Circuit’s decision can further inform these proceedings.

The conditions of the stay have been met. Accordingly, there is no good or just reason to delay this lawsuit further.

**ORDER**

Based on the foregoing analysis and all the files, records and proceedings herein, **IT IS HEREBY ORDERED:**

1. The Stay entered on January 12, 2023, (Dkt. 23), is **LIFTED**.

Dated: October 20, 2023

s/ Wilhelmina M. Wright  
Wilhelmina M. Wright  
United States District Judge